

## Remarks for the Federal Trade Commission's Public Forum

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My name is Evangelos Razis, and I lead U.S. engagement on privacy and artificial intelligence (AI) policy at Workday.

Workday is a leading provider of enterprise cloud applications for finance and human resources. Workday applications have been adopted by thousands of organizations around the world and across industries—from medium-sized businesses to more than 50% of the Fortune 500.

As the Federal Trade Commission (FTC) considers rulemaking on privacy, data security, and AI, I would like to make three points.

First, privacy is a fundamental right, and Workday is a <u>staunch supporter</u> of a comprehensive federal privacy law. We applaud the work of Chair Pallone, Ranking Member McMorris-Rogers, and Senator Wicker in drafting the *American Data Privacy & Protection Act* (ADPPA) and passing it out of committee in a <u>historic</u> 53-2 vote. We also note the important work of Chair Cantwell and her *Consumer Online Privacy Rights Act*. While both proposals would benefit from additional refinement, the ADPPA is the high watermark for efforts to pass federal privacy reform. We therefore ask that if the Commission proceeds with rulemaking, it does so in a manner that complements and aligns with Congressional efforts to enact much-needed privacy legislation.

Second, the technology industry is not a monolith. Enterprise cloud software providers such as Workday operate in the business-to-business market and provide services that compete on <u>privacy and security protections</u>. Importantly, most enterprise cloud software providers process data at the direction of their customers, who determine the purpose and means of processing and maintain relationships with end users. Modern comprehensive privacy frameworks, including the European Union's General Data Protection Regulation, <u>state laws</u> in Virginia, Colorado, Utah, and Connecticut, and the ADPPA all recognize a distinction between "controllers" and "processors" and that tailoring legal obligations to a company's role enhances privacy and data security for everyone.

Third, and finally, on the topic of AI systems, getting governance right in this area requires a thoughtful, clear-eyed approach that protects consumers and accounts for the state of the field. We encourage the Commission to look to the ADPPA, which eschews premature third-party audit requirements and instead requires companies using high-risk AI systems to carry out impact assessments prior to use. Impact assessments are a tried-and-true way

for companies to document how they identify, test for, and mitigate the risks posed by technology. As AI technical standards continue to develop, impact assessments represent a pragmatic way to promote AI accountability and encourage the use of trustworthy systems.

I will end by thanking the Commission for organizing this public forum. Workday looks forward to working with you on these crucial issues.

## **Contact:**

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